

July 2015

## Haskell County

### Estimated Economic Impact of Agriculture, Food, and Food Processing Sectors

A total of 9 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Haskell County economy.<sup>1</sup> These 9 sectors have a total direct output of approximately \$864 million and support 663.8 jobs in Haskell County. Running the model for all 9 sectors simultaneously produces the following results:

#### Agriculture Contribution in Haskell County

Impact Type <sup>2</sup>	Employment	% of Total Employment	Total Value Added <sup>3</sup>	% of Gross Regional Product <sup>4</sup>	Output <sup>5</sup>	% of Gross Regional Product
Direct Effect	663.8	26%	\$316,038,244	73%	\$863,549,983	198%
Indirect Effect	497.0	19%	\$38,730,153	9%	\$59,999,511	14%
Induced Effect	147.3	6%	\$12,530,443	3%	\$19,920,605	5%
Total Effect	1,308.1	50%	\$367,298,840	84%	\$943,470,099	217%

As shown in the above table, agriculture, food, and food processing supports 1,308.1 jobs, or 50% of the entire workforce in the county. These industries provide a total economic contribution of approximately \$943 million, roughly 217% of Gross Region Product (GRP). As noted below in the calculation of Gross Regional Product, imports and institutional sales are subtracted. Therefore, counties that import a relatively large amount of goods and services will have a reduced GRP which may lead to agricultural output being greater than GRP.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 9 agriculture, food, and food processing sectors is approximately \$367 million, or 84% of the GRP. This indicates that personal income, business income, and taxes generated by these sectors account for 84% of the total economy.

The following tables document the overall summary numbers of the model, top industries affected by employment and output, and a listing of all industries that were analyzed.

<sup>1</sup> Article on building a contribution analysis in IMPLAN that avoids double counting:  
[https://implan.com/index.php?option=com\\_content&view=category&id=19](https://implan.com/index.php?option=com_content&view=category&id=19)

<sup>2</sup> Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

<sup>3</sup> Value Added = Labor Income + Indirect Business Taxes + Other Property Type Income

<sup>4</sup> GRP = Final Demand of Households + Governments Expenditures + Capital + Exports - Imports - Institutional Sales

<sup>5</sup> Output = Intermediate Inputs + Value Added

In the top ten by employment, Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming is the top employer in the agriculture industry with 535.7 employees. This table also shows the amount of jobs that are created by the agriculture industry in Haskell County.

#### Top 10 Industries Affected by Employment

Sector Description:	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming .....	535.7	\$697,463,485
Support activities for agriculture and forestry .....	249.7	\$15,981,458
Wholesale trade.....	92.6	\$18,958,922
Truck transportation.....	58.0	\$9,396,256
Grain farming .....	53.4	\$93,885,047
Real estate.....	36.2	\$5,393,987
Other animal food manufacturing.....	33.6	\$49,335,589
All other crop farming.....	26.1	\$16,634,460
Retail - Food and beverage stores .....	15.4	\$1,066,703
Full-service restaurants.....	15.0	\$606,202

The Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming industry directly contributes approximately \$697 million to Haskell County's economy. This table also shows how much revenue is generated in other industries by having a strong agriculture industry.

#### Top 10 Industries Affected by Output

Sector Description:	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming .....	535.7	\$697,463,485
Grain farming .....	53.4	\$93,885,047
Other animal food manufacturing.....	33.6	\$49,335,589
Wholesale trade.....	92.6	\$18,958,922
All other crop farming.....	26.1	\$16,634,460
Support activities for agriculture and forestry .....	249.7	\$15,981,458
Truck transportation.....	58.0	\$9,396,256
Owner-occupied dwellings .....	0.0	\$8,125,042
Real estate.....	36.2	\$5,393,987
Oilseed farming .....	0.4	\$4,750,497

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture sector and the output they contributed to Haskell County's economy.

[illegible]

All 105 counties in Kansas have IMPLAN models with an agriculture contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Kansas, the retail sector was omitted.